

**The Santa Clara Valley Water District** (District) is the primary water resources agency for Santa Clara County, California. It acts not only as the county's water wholesaler, but also as its flood protection agency and is the steward for its streams and creeks, underground aquifers and District-built reservoirs.

Every year, the District oversees construction of large capital projects to meet existing and future water-quality and water-supply needs, provide improved flood protection, provide more open space and trails, and conserve and enhance the environmental resources of Santa Clara County.

Over the next five fiscal years (2014 to 2018) the District is planning to invest approximately \$682 million to construct about 60 projects. This is part of a five-year capital improvement program (CIP) that includes over 63 new and continuing capital projects.

**The Small Business Outreach Program** promotes diverse participation on projects financed in whole or in part by District funds. The District established the program in 2004.

To be eligible for award of a contract the bidder must comply with the program requirements, be a responsible bidder, and submit a responsive bid. The program establishes a minimum 30% participation goal and provides for a maximum 5% preference.

### **How is Small Business Compliance Determined?**

One of the following requirements must be met

1. Bidder is a Certified Small/Micro Business
2. Bidder has subcontracted a minimum of 30% of the job to Certified Small Businesses
3. Bidder has made a Good Faith Effort to solicit Small/Micro business participation
4. Bidder will perform all the work without using subcontractors and is, therefore, exempt from demonstrating Good Faith Effort.

### **What are the Eligibility Requirements?**

To be counted towards meeting the goal, businesses must **be certified as a Small Business by the California Department of General Services (DGS)**, [www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus).

### **What is a Small Business Enterprise (SBE)?**

- Independently owned and operated,
- Not dominant in its field of operation,
- Principal office located in California,
- Owners (or officers in the case of a corporation) domiciled in California; *and*
- Together with affiliates, be either a business with 100 or fewer employees, and an average annual gross receipts, as defined by DGS, of \$14 million or less over the previous three tax years, or manufacturer with 100 or fewer employees.

### **What is a Micro Business?**

- Same requirements as a Small Business, except
- 25 or fewer employees, and an average annual gross receipts, as defined by DGS, of \$3.5 million or less over the previous three tax years.

### **How is the Small Business Preference Calculated ?**

- Small/Micro Business bidders receive 5% preference
- Bidders with Small/Micro Business Subcontractors receive the following preferences
  - 3% for 30-39% participation by SBEs
  - 4% for 40-49% participation by SBEs
  - 5% for 50% or more participation by SBEs

### **What is the Priority for Applying the Preference?**

Bids will be evaluated for their completeness in meeting the project requirements, then the following priorities will be used.

1. Micro Business submitting the lowest bid.
2. Small Business submitting the lowest bid.
3. Non-Small Business, subcontracting with the highest percent of Micro Business submitting the lowest bid.
4. Non-Small Business, subcontracting with the highest percent of Small Business submitting the lowest bid.

### **How is a Good Faith Effort Demonstrated?**

If a bidder is unable to meet the Small Business Outreach Program goal, their efforts to reach the goal must be documented with verifiable information . For a list of requirements see Bid Form 8 in the Bid Documents.

For more information go to:  
[www.valleywater.org/Programs/Construction.aspx](http://www.valleywater.org/Programs/Construction.aspx)

# Small Business Outreach Program

Quick Reference

Answers to FAQs about...

Small Business Compliance

Eligibility Requirements

Small & Micro Businesses

Small Business Preference

Good Faith Effort



## Small Business Outreach Contact

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[www.valleywater.org/Programs/Construction.aspx](http://www.valleywater.org/Programs/Construction.aspx)

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Santa Clara Valley  
Water District

